

Amendments to Senate Bill No. 133
3rd Reading Copy

For the House Business and Labor Committee

Prepared by Susan Byorth Fox
March 11, 2009 (1:18pm)

1. Title, line 13.

Following: "PROVISIONS;"

Insert: "REQUIRING THAT INSUREDS PAY ONLY THE REQUIRED COPAYMENT
OR OTHER COST-SHARING REQUIREMENT FOR COVERED PRESCRIPTION
DRUGS AT THE TIME OF PURCHASE;"

2. Title, line 16.

Following: "33-21-113,"

Insert: "33-22-101,"

3. Title, line 17.

Following: "33-22-530,"

Insert: "33-22-602,"

Following: "33-31-311, MCA;"

Strike: "AND"

4. Title, line 18.

Following: "DATE"

Insert: "AND AN APPLICABILITY DATE"

5. Page 22, line 10.

Insert: "**Section 23.** Section 33-22-101, MCA, is amended to read:

"**33-22-101. Exceptions to scope.** (1) Subject to subsection
(2), parts 1 through 4 of this chapter, except 33-22-107,
33-22-110, 33-22-111, 33-22-114, 33-22-125, 33-22-129, 33-22-130
through 33-22-136, 33-22-140, 33-22-141, 33-22-142, 33-22-243,
and 33-22-304, and part 19 of this chapter do not apply to or
affect:

(a) any policy of liability or workers' compensation
insurance with or without supplementary expense coverage;

(b) any group or blanket policy;

(c) life insurance, endowment, or annuity contracts or
supplemental contracts that contain only those provisions
relating to disability insurance that:

(i) provide additional benefits in case of death or
dismemberment or loss of sight by accident or accidental means;
or

(ii) operate to safeguard contracts against lapse or to give
a special surrender value or special benefit or an annuity if the
insured or annuitant becomes totally and permanently disabled as
defined by the contract or supplemental contract;

(d) reinsurance.

(2) Sections 33-22-150 through 33-22-152, [section 24], and 33-22-301 apply to group or blanket policies."
{Internal References to 33-22-101: None.x}"

Insert: "NEW SECTION. Section 24. Cost-sharing requirements - applicability. (1) Each group or individual health insurance policy, certificate of insurance, and membership contract that covers prescription drugs and that is delivered, issued for delivery, renewed, extended, or modified in this state must provide that after the applicable deductible is met, the insured shall pay only the required copayment or other cost-sharing requirement for a covered prescription drug at the time of purchase if the prescription drug dispenser, third-party administrator, or health insurance issuer can determine that amount at the time of purchase.

(2) This section applies to blanket policies issued pursuant to Title 33, chapter 22, part 6.

(3) This section does not apply to disability income, hospital indemnity, medicare supplement, accident-only, vision, dental, or long-term care policies."

Renumber: subsequent sections

6. Page 25, line 10.

Insert: "Section 29. Section 33-22-602, MCA, is amended to read:

"33-22-602. Required provisions of blanket policies. Any An insurer authorized to write disability insurance in this state ~~shall have~~ has the power to issue blanket disability insurance. ~~No such A blanket policy may not be issued or delivered in this state unless a copy of the policy form thereof shall have been is~~ filed in accordance with 33-1-501. ~~Every such A blanket policy shall must~~ contain provisions ~~which that~~ in the opinion of the commissioner are at least as favorable to the policyholder and the individual insured as the following, ~~a provision that provisions:~~

(1) the policy and the application ~~shall~~ constitute the entire contract between the parties, ~~and that~~ all statements made by the policyholder ~~shall are~~, in absence of fraud, ~~be deemed considered~~ representations and not warranties, ~~and that no such statements shall may not~~ be used in defense to a claim under the policy, unless it is contained in a written application;

(2) written notice of sickness or of injury must be given to the insurer within 20 days after the date when ~~such the~~ sickness or injury occurred. Failure to give notice within ~~such time shall 20 days may~~ not invalidate or reduce ~~any a~~ claim if it ~~shall be shown not to have been the insured shows that it was not~~ reasonably possible to give ~~such the required~~ notice and that notice was given as soon as was reasonably possible.

(3) the insurer will furnish to the policyholder ~~such forms as are usually furnished by it for filing proof of loss. If such forms are not furnished before the expiration of within 15 days after the giving of such notice insured provided notice of~~

sickness or injury, the claimant ~~shall be deemed~~ is considered to have complied with the requirements of the policy as to proof of loss upon submitting, within the time ~~fixed~~ established in the policy for filing proof of loss, written proof covering the occurrence, character, and extent of the loss for which claim is made.

(4) in the case of a claim for loss of time for disability, written proof of ~~such the~~ loss must be furnished to the insurer within 30 days after the commencement of the period for which the insurer is liable and ~~that subsequent written proofs~~ proof of the continuance of ~~such the~~ disability must be furnished to the insurer at ~~such intervals as established by the insurer.~~ may reasonably require and ~~that in~~ In the case of a claim for any other loss, written proof of ~~such the~~ loss must be furnished to the insurer within 90 days after the date of ~~such the~~ loss. Failure to furnish ~~such proof within such time shall~~ 90 days may not invalidate or reduce any a claim if it shall be shown not to have been the insured shows it was not reasonably possible to furnish ~~such the required~~ proof and that ~~such proof was furnished as soon as was reasonably possible.~~

(5) except as provided in [section 24], all benefits payable under the policy other than benefits for loss of time ~~will be~~ are payable immediately upon receipt of ~~due~~ written proof of ~~such the~~ loss. ~~and that, subject~~ Subject to ~~due~~ proof of loss, all accrued benefits payable under the policy for loss of time ~~will must be paid not later than at the expiration of each period of at least every 30 days during the continuance of the period for which the insurer is liable. and that any~~ Any balance remaining unpaid at the termination of ~~such period will the period of liability must~~ be paid immediately upon receipt of ~~such the proof, of loss.~~

(6) the insurer at its own expense ~~shall have~~ has the right and opportunity to examine the person of the insured when and ~~so~~ as often as it ~~may~~ reasonably ~~require~~ required during the pendency of a claim under the policy and also the right and opportunity to make an autopsy in case of death ~~where~~ when it is not prohibited by law;

(7) ~~no an~~ action at law or in equity ~~shall may not be~~ brought to recover a loss under the policy ~~prior to the expiration of sooner than~~ 60 days after written proof of loss has been furnished in accordance with the requirements of the policy and ~~that no such action shall be brought after the expiration of no later than~~ 3 years after the time written proof of loss is required to be furnished."

{Internal References to 33-22-602: None.x}"

Renumber: subsequent sections

7. Page 32, line 14.

Following: "33-22-152,"

Insert: "[section 24],"

8. Page 33, line 11.

Following: "33-22-152,"

Insert: "[section 24],"

9. Page 33, line 23.

Insert: "NEW SECTION. **Section 36. {standard} Codification instruction.** [Section 24] is intended to be codified as an integral part of Title 33, chapter 22, part 1, and the provisions of Title 33, chapter 22, part 1, apply to [section 24]."

Renumber: subsequent section

10. Page 33, line 25.

Insert: "NEW SECTION. **Section 38. Applicability.** [Section 24] applies to policies, certificates, and membership contracts that are delivered, issued, renewed, extended, or modified on or after January 1, 2010."

- END -